

**Kansas Corporation Commission
Information Request**

Request No. : 1

Company Name Universal Service Administrative Company

Docket Number 06-GIMT-446-GIT

Request Date April 12, 2007

Date Information Needed April 19, 2007

RE: Sprint Spectrum, L.P. v. Brian Moline, et al,
 The United States District Court for the District of Kansas
 Civil Action No. 07-2130-KHV

Submitted By: Eva Powers, Assistant General Counsel
 Kansas Corporation Commission
 1500 SW Arrowhead Road
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Please answer the questions below in as much detail as possible:

1. Does USAC pay lifeline support to an Eligible Telecommunications Carrier ("ETC") to cover a subscriber's lifeline support applied to a rate plan, selected by the customer that is not the ETC's lowest-rate plan? **USAC Response:** Yes. USAC reimburses ETCs for discounts provided to the eligible low income consumers based on the amounts set out in 47 C.F.R. § 54.403(a)-(b). USAC does not ascertain whether a Lifeline customer has selected the lowest-rate plan offered by a particular ETC.
2. Is an ETC required to report to USAC the rate plan that a lifeline customer selects? **USAC Response:** No, we do not collect this information.
3. Does USAC audit how ETCs have applied lifeline support? **USAC Response:** Yes, USAC conducts Beneficiary Audits, in which USAC auditors examine ETCs' support claims and underlying Lifeline customer records.
 - a. If so, does USAC, in connection with those audits, examine whether an ETC's lifeline subscribers have selected plans other than the lowest rate plan? **USAC Response:** No, this is not part of a Beneficiary Audit.
 - b. If so, does USAC require an ETC to refund to USAC lifeline support funds that the ETC has applied to a rate plan other than the ETC's lowest-rate plan? **USAC Response:** Not applicable; the auditors do not ascertain whether a Lifeline customer has selected the lowest-rate plan.
4. Has USAC ever required an ETC to refund to USAC lifeline support funds that the ETC has applied to a rate plan other than the ETC's lowest-rate plan? **USAC Response:** No, USAC does not ascertain whether a Lifeline customer has selected the lowest-rate plan.
 - a. If so, what was the reason for ordering that refund? **USAC Response:** Not applicable; USAC does not ascertain whether a Lifeline customer has selected the lowest-rate plan.
5. To the best of your knowledge, has USAC ever taken the position that providing lifeline support for plans other than an ETC's lowest-rate plan is inconsistent with federal law or the FCC's regulations? **USAC Response:** No. In fact, the opposite is true; in its *2004 Lifeline and Link Up Order*, the FCC emphasized that Lifeline customers should be permitted to purchase vertical services, such as Caller ID, Call Waiting and Three-way Calling (*Federal-State Joint Board on Universal Service*, WC Docket No. 03-109, Report and Order and Further Notice of Proposed Rulemaking, 18 FCC Rcd, 8302 at para. 53 (2004)).
 - b. If so, what documents (if any) state that position taken by USAC? **USAC Response:** Not applicable.

Submitted To: Universal Service Administrative Company
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If for some reason, the above information cannot be provided by the date requested, please provide a written explanation of those reasons.

If you have any questions, please contact Eva Powers.

Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find answer(s) to be true, accurate, full and complete and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

Signed: _____

Title: Vice President, USAC

Date: 4/17/07